

SENATE BILL 3947

By McNally

AN ACT to amend Public Chapter 591, Acts of 2007, and Tennessee Code Annotated, Title 9, Chapter 9 relative to the issuance of general obligation debt and to provide continuing allocation and expenditure authorization for proceeds of debt.

WHEREAS, the General Assembly authorizes the State Funding Board of the State of Tennessee to issue general obligation debt to fund various state projects; and

WHEREAS, since 1998 the General Assembly has authorized the Funding Board in its discretion to issue general obligation bonds in amounts not to exceed 2.5% of the amounts specified in the bond acts to fund discount and costs of issuance, allocating the proceeds of which to the Funding Board for expenditure for such purpose; and

WHEREAS, it was the intent of the General Assembly to provide such authorization in Public Chapter 591, Acts of 2007, for all items in Section 4; however, in the engrossed bill the authorizing language appears in an indented paragraph between Items 5 and 6; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Section 4 of Public Chapter No. 591, Acts of 2007, is amended by moving the paragraph between Items 5 and 6 to the end of Section 4 without indentation, clarifying that the authority to issue bonds in amounts not to exceed 2.5% applies to all items in Section 4 and not just to Item 5.

SECTION 2. Tennessee Code Annotated, Section 9-9-116 is amended by deleting the second sentence and substituting the following language:

In the discretion of the funding board all such expenses, as well as the amount of any discount at which bonds issued under the provisions of this chapter are sold,

may be funded by bonds or notes in amounts not to exceed 2.5% of the amounts authorized in bond acts heretofore or hereafter enacted by the general assembly (unless expressly authorized differently in such act), and the funding board is authorized to issue such debt, the proceeds of which are hereby allocated to the funding board for expenditure for such purpose .

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the provisions or application of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 4. This act shall take effect upon becoming law, the public welfare requiring it.